

CALIFORNIA COALITION FOR YOUTH

**Independent Auditor's Report,
Financial Statements and
Supplemental Information**

Year Ended June 30, 2008

DATE RECEIVED:



AUDIT REVIEW #(s) 04849

Assigned To: Moun+

Date Reviewed: 7/15/09

Reviewer's Initials: DM

Date Review(s) Completed: 7/15/09



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Board of Directors
California Coalition For Youth
Sacramento, CA

INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying statement of financial position of the California Coalition For Youth (a nonprofit organization) as of June 30, 2008, and the related statements of activity, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the California Coalition For Youth's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the California Coalition For Youth as of June 30, 2008, and the changes in its net assets and cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming the Organization will continue as a going concern. As discussed in Note I to the financial statements, The Organization has a net deficiency in net assets that raises substantial doubt about its ability to continue as a going concern. Management's plan regarding these matters are also described in Note I. The financial statements do not include and adjustments that might result from the outcome of this uncertainty.

In accordance with *Government Auditing Standards*, I have also issued a report dated September 9, 2008 on my consideration of the California Coalition For Youth's internal control over financial reporting and my tests of its compliance with certain provisions of laws and regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to

CALIFORNIA COALITION FOR YOUTH
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008

Assets

Current assets:

Cash and cash equivalents	\$ 335,854
Grants receivable	15,056
Prepaid assets	<u>399</u>

Total current assets 351,309

Property and equipment, at cost less accumulated depreciation of \$12,925	5,528
Deposit	<u>1,800</u>

Total assets \$ 358,637

Liabilities and Net Assets

Current liabilities:

Accounts payable	\$ 26,770
Accrued expenses	16,611
Refundable advances	<u>365,351</u>

Total current liabilities 408,732

Net assets:

Unrestricted	<u>(50,095)</u>
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Total liabilities and net assets \$ 358,637

The accompanying notes are an integral part of these financial statements.

CALIFORNIA COALITION FOR YOUTH
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008

	Program Services						
	Crisis Line	Education & Outreach	Membership	Policy & Advocacy	Total Program Services	Management & General	Total Expenses
Salaries & wages	\$ 175,772	\$ 10,948	\$ 20,997	\$ 12,991	\$ 220,708	\$ 9,275	\$ 229,983
Employee benefits	7,671	154	430	262	8,517	1,175	9,692
Payroll taxes	17,813	936	1,406	1,284	21,439	1,455	22,894
Bank & Payroll fees	755	45	84	36	920	3,727	4,647
Conferences & meetings	-	24,243	-	-	24,243	73	24,316
Contributed Services	8,735	260	572	572	10,139	936	11,075
Dues & subscriptions	261	13	39	26	339	42	381
Equipment expense	7,475	991	2,814	1,803	13,083	7,583	20,666
Insurance	4,098	287	579	462	5,426	1,324	6,750
Miscellaneous	-	100	-	-	100	-	100
Occupancy	18,160	1,111	2,859	1,952	24,082	3,194	27,276
Office expense	4,927	853	504	320	6,604	7,399	14,003
Professional fees	17,360	1,008	2,524	16,652	37,544	16,340	53,884
Telephone & communication	15,518	377	983	601	17,479	9,532	27,011
Training & education	868	187	452	237	1,744	832	2,576
Travel	2,553	9	64	14	2,640	4,682	7,322
Subtotal	281,966	41,522	34,307	37,212	395,007	67,569	462,576
Depreciation	651	-	-	-	651	145	796
Total expenses	<u>\$ 282,617</u>	<u>\$ 41,522</u>	<u>\$ 34,307</u>	<u>\$ 37,212</u>	<u>\$ 395,658</u>	<u>\$ 67,714</u>	<u>\$ 463,372</u>

The accompanying notes are an integral part of these financial statements.

**CALIFORNIA COALITION FOR YOUTH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

NOTE A – SUMMARY OF PROGRAM AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

California Coalition For Youth (the Coalition), Sacramento, California, was founded in 1979 to advocate for public policies, programs and services that empower, support, and protect the rights of youth and their families in the State of California.

Program Service

Crisis Line – The California Youth Crisis Line is a statewide, toll free, 24-hour, confidential phone line available to young people between the ages of 12-24, and concerned friends and family members. CCY provides crisis intervention counseling on many issues including family problems, sexual assault, eating disorders, teen pregnancy, substance abuse, suicide and more. CCY offers support, encouragement, and referrals to youth needing assistance or in crisis situations. The California Youth Crisis Line connects an average of 12,000 callers with vital resources annually.

The Crisis Line is funded in part by grants from The California Wellness Foundation (TCWF). Created in 1992 as an independent, private foundation, TCWF's mission is to improve the health of the people of California by making grants for health promotion, wellness education and disease prevention programs. The Crisis Line is also funded by a grant from The Governor's Office of Emergency Services.

Method of Accounting

The financial statements of the Coalition have been prepared on the accrual basis of accounting. Thus, revenues are reported in the year earned rather than when collected, and expenses are reported in the year incurred rather than when paid.

Financial Statement Presentation

The Coalition follows Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Coalition is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

**CALIFORNIA COALITION FOR YOUTH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

NOTE B – GRANTS RECEIVABLE

Grants receivable, all of which management considers collectible, consisted of the following as of June 30, 2008:

California Office of Emergency Services	\$ 14,094
Other	<u>962</u>
Total grants receivable	<u>\$ 15,056</u>

NOTE C – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of June 30, 2008:

Furniture and equipment	\$ 18,453
Less: accumulated depreciation	<u>(12,925)</u>
Total property and equipment	<u>\$ 5,528</u>

Depreciation expense was \$796 for the year ended June 30, 2008.

NOTE D – REFUNDABLE ADVANCES

Refundable advances consisted of the following as of June 30, 2008:

The California Wellness Foundation 2007- 378	\$ 321,547
The California Wellness Foundation 2007- 296	37,263
AT&T	<u>6,541</u>
Total refundable advances	<u>\$ 365,351</u>

NOTE E – CREDIT LINE

The Coalition had a credit line with a bank totaling \$25,000, bearing interest at a variable rate, and to be drawn upon as needed. There was no balance outstanding at June 30, 2008.

**CALIFORNIA COALITION FOR YOUTH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008**

NOTE I – GOING CONCERN

The Coalition has a deficiency in net assets of \$50,095 at June 30, 2008. This condition creates an uncertainty about the Coalition's ability to continue as a going concern. Over the past year, the board of directors and management have made significant improvements by stemming the string of net losses and reducing the deficiency in net assets by over \$6,000. In addition, management has applied for over a dozen grants to supplement current funding; hired a development professional to increase membership; and are actively marketing the annual conference to help raise unrestricted funds. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE J – CONTINGENCIES

The Coalition has been awarded certain grants and contracts and is subject to financial and compliance requirements of the grantors or their representatives. The amount, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time although management does not expect such amounts, if any, to materially affect the financial statements.

CALIFORNIA COALITION FOR YOUTH
SUPPLEMENTAL SCHEDULE OF GRANT REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2008

	California Wellness Foundation 2005-323	California Wellness Foundation 2006-315	California Wellness Foundation 2007-296	California Wellness Foundation 2007-378	OES 2007-08	Total
Revenue	\$ 90,142	\$ 14,573	\$ 42,736	\$ 128,454	\$ 127,000	\$ 402,905
Expenses:						
Personnel expenses	55,399	9,030	21,940	67,972	102,176	256,517
Operating expenses	34,743	5,543	20,796	60,482	24,824	146,388
Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>90,142</u>	<u>14,573</u>	<u>42,736</u>	<u>128,454</u>	<u>127,000</u>	<u>402,905</u>
Excess of revenue over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

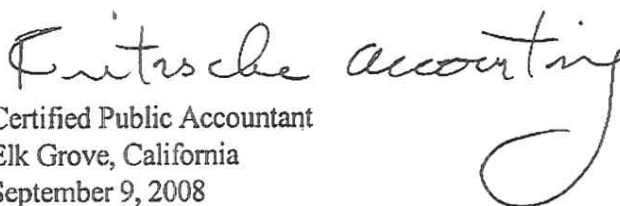
See accountant's report

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether California Coalition For Youth's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the board of directors, management, The Governor's Office of Emergency Services and The California Wellness Foundation, and is not intended to be and should not be used by anyone other than these specified parties.


Certified Public Accountant
Elk Grove, California
September 9, 2008